

E-File: March 29, 2010

James I. Stang, Esq. (CA Bar No. 94435)
 Shirley S. Cho, Esq. (CA Bar No. 192616)
 Werner Disse, Esq. (CA Bar No. 143458)
 PACHULSKI STANG ZIEHL & JONES LLP
 10100 Santa Monica Blvd., 11th Floor
 Los Angeles, California 90067-4100
 Telephone: 310/277-6910
 Facsimile: 310/201-0760
 Email: jstang@pszjlaw.com
 scho@pszjlaw.com
 wdisse@pszjlaw.com

Zachariah Larson, Esq. (NV Bar No. 7787)
 LARSON & STEPHENS
 810 S. Casino Center Blvd., Ste. 104
 Las Vegas, NV 89101
 Telephone: 702/382.1170
 Facsimile: 702/382.1169
 Email: zlarson@lslawnv.com

Attorneys for Debtors and
 Debtors in Possession

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:
 THE RHODES COMPANIES, LLC, aka
 "Rhodes Homes," et al.,¹
 Debtors.

Case No.: BK-S-09-14814-LBR
 (Jointly Administered)

Chapter 11

Affects:

¹ The Debtors in these cases, along with their case numbers are: Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, A Nevada Limited Partnership (Case No. 09-14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, I.L.C. (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C & J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20, LLC (Case No. 09-14848); Tuscany Acquisitions IV, LLC (Case No. 09-14849); Tuscany Acquisitions III, LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, L.L.C. (Case No. 09-14882); Tuscany Golf Country Club, LLC (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

<input checked="checked" type="checkbox"/>	All Debtors
<input type="checkbox"/>	Affects the following Debtor(s)

NOTICE TO SELL NON-CORE ASSET (Ford 250)

To (a) the Office of the United States Trustee, (b) counsel to the Agent for the First Lien Lenders, (c) counsel to the Agent for the Second Lien Lenders, (d) counsel to the Unsecured Creditors' Committee, (e) counsel to the First Lien Steering Committee; and (f) all parties holding (or, to the Debtors' knowledge, asserting) liens on, or other interests in, the Non-Core Asset (defined below) that is the subject of the Proposed Transaction (defined below) (collectively, the "Interested Parties):

PLEASE TAKE NOTICE THAT the above-captioned debtors and debtors in possession (the "Debtors") are proposing to sell (the "Proposed Transaction") a non-core asset (the "Non-Core Asset") free and clear of liens, claims and encumbrances, pursuant to the *Order Establishing Procedures to Sell Non-Core Assets* [Docket Number 462] (the "Order"). A further description of the Non-Core Asset and the terms of the sale is set forth on **Attachment A** hereto.

As required pursuant to the Order and the Non-Core Assets Sale Procedure, the Debtors have received approval to sell the Non-Core Asset from Winchester Carlisle Partners, the financial advisors to the First Lien Steering Committee.

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Order and the Non-Core Assets Sale Procedure, the Debtors may consummate a Proposed Transaction on fewer than 10 days notice to you if the Debtors obtain written consent to the Proposed Transaction from counsel to the Agent for the First Lien Lenders and counsel to the Agent for the Second Lien Lenders. The Debtors have obtained written consent from counsel to the Agent for the First Lien

///

///

///

Lenders and counsel to the Agent for the Second Lien Lenders and, accordingly, the Debtors intend to proceed immediately to consummate the sale.

DATED this 4th day of March, 2010.

PACHULSKI STANG ZIEHL & JONES
LLP

/s/ Shirley S. Cho, Esq.
Shirley S. Cho, Esq. (CA Bar No. 192616)
10100 Santa Monica Blvd., 11th Floor
Los Angeles, CA 90067
310/277-6910

LARSON & STEPHENS

/s/ Zachariah Larson, Esq.
Zachariah Larson, Bar No. 7787
Kyle O. Stephens, Bar No. 7928
810 S. Casino Center Blvd., Suite 104
Las Vegas, NV 89101
702/382-1170

Attorneys for Debtors and Debtors in
Possession

LARSON & STEPHENS
810 S. Casino Center Blvd., Suite 104
Las Vegas, Nevada 89101
Tel: (702) 382-1170 Fax: (702) 382-1169

ATTACHMENT A

Attachment A
Information Regarding Non-Core Asset Sale Transaction

Questions		Responses
Question 1	Date	03/01/10
	Make / Model	Ford F250
	Vin #	1FTNF20555EA90266
	Location	Golden Valley, AZ
Question 2	Purchaser	Terry Thompson
	Relationship to Debtor	None
Question 3	Current Lien holder	None
Question 4	Copy of Contract Summary of Transaction	Attachment 1 Sales price of \$2600
Question 5	Contracts and Leases to Transfer from Seller to Purchaser	None
Question 6	Costs to be Charged Against the Sale Proceeds	None
Question 7	Copies of Appraisals	See Attachment 2

ATTACHMENT 1

PINNACLE

GRADING & HEAVY EQUIPMENT

Pinnacle Grading
313 S. Aztec Rd.
Golden Valley, AZ 86413

Date: 3/1/2009
Invoice: 4031

Bill To: Terry Thompson Enterprises
Golden Valley, AZ 86413

Quantity	Description	Amount
1	Ford F250 Model Year 2005 Vin # 1FTNF20555EA90266	\$2600.00

Total \$2600.00

All equipment sold strictly as-is, where-is, no warranties expressed or implied. Buyer is Responsible for all transportation cost from Golden Valley, AZ and assumes all risk of Loss upon payment. Upon verification of funds, equipment will be released within one (1) Business day and must be removed from the yard within 10 days. It is understood That purchaser assumes all risk and liability for, and shall hold Pinnacle Grading Harmless from all damages for injuries to persons and property arising out of the use, Possession or transportation of the equipment. Payment due in full before buyer taking Possession.

I (we) have read the contract and agree with its contents.

Buyer: _____

Date: ____/____/____

Seller: _____

Date: ____/____/____

Thank You for Your Business!

ATTACHMENT 2

PINNACLE GRADING, LLC

APPRAISAL

<u>EQUIP #</u>	<u>CODE #</u>	<u>DESCRIPTION</u>	<u>SERIAL #</u>	<u>NOTES</u>	<u>AV</u>	<u>OLV</u>	<u>FMV</u>
650	610-005	2002 FORD F650 XL SUPER DUTY S/A MECHANIC'S TRUCK, s/n 3FDNF65442MA01778: CUMMINS 5.9L DIESEL, 6 SPEED TRANS, P.T.O., STELLAR 10620 ELECTRIC / HYDRAULIC AUTO CRANE, STELLAR HYDRAULIC DRIVEN AIR COMPRESSOR, MILLER BOBCAT 225 AMP GAS WELDER, FRONT & REAR HYDRAULIC STABILIZERS	3FDNF65442MA01778		\$35,000	\$42,000	\$52,000
Kodiak	610-006	1998 CHEVROLET KODIAK S/A MECHANIC'S TRUCK, s/n 1GBM7H1J0TJ101710: CATERPILLAR 3116 DIESEL, 5 X 2 TRANS, P.T.O., ELECTRIC / HYDRAULIC AUTO CRANE, HYDRAULIC AIR DRIVEN COMPRESSOR, REAR HYDRAULIC STABILIZERS, 13' 8" BOX	1GBM7H1LOTJ101710		\$20,000	\$24,000	\$28,000
771	610-007	2004 CHEVROLET C1500 4 X 4 PICKUP, s/n 1GCEK14T04Z213123	1GCEK14T04Z213123		\$3,250	\$5,000	\$6,000 ✓
F250	610-009	2003 FORD F250	1FTNF20L43MB35669		\$2,250	\$2,750	\$3,500 ✓
F250	610-011	2005 FORD F250 XL PICKUP, s/n 1FTNF20555EA90266	1FTNF20555EA90266		\$3,000	\$3,750	\$4,750 ✓
F150	610-012	2004 FORD F150	1FTPX14584NB37296		\$2,850	\$3,500	\$4,500
F250	610-016	2006 FORD F250 XLT 4 X 4 SUPER CAB PICKUP, s/n 1FTSX21P06EB40458	1FTSX21P06EB40458	✓	\$7,000	\$9,000	\$11,000
2500 Chevy	610-017	2005 CHEVROLET C1500 SILVERADO 4 X 2 PICKUP, s/n 1GCEC14X15Z101951	1GCEC14X15Z101951		\$4,400	\$5,500	\$7,000
2500 Chevy	610-018	2005 CHEVROLET C2500 SILVERADO 4 X 2 PICKUP, s/n 1GCEC14X35Z101580	1GCEC14X35Z101580		\$4,400	\$5,500	\$7,000



The attached cover letter is an integral part of this Appraisal Report

Copyright. This document contains confidential proprietary information,
& is intended only for uses authorized by Stephen Passy & Associates, Inc.

STEPHEN PASSY & ASSOCIATES, INC.

7 of 12

CERTIFICATE OF SERVICE

1. On the 4th day of March 2010, I served the following document(s):

a. **NOTICE TO SELL NON-CORE ASSETS (FORD 250)**

2. I served the above-named document(s) by the following means to the persons as listed below:

(check all that apply)

☐ a. **ECF System** *(You must attach the "Notice of Electronic Filing", or list all persons and addresses and attach additional paper if necessary)*

☐ b. **United States mail, postage fully prepaid**
(List persons and addresses. Attach additional paper if necessary)

☐ c. **Personal Service** *(List persons and addresses. Attach additional paper if necessary)*

I personally delivered the document(s) to the persons at these addresses:

☐ For a party represented by an attorney, delivery was made by handing the document(s) at the attorney's office with a clerk or other person in charge, or if no one is in charge by leaving the document(s) in a conspicuous place in the office.

☐ For a party, delivery was made by handing the document(s) to the party or by leaving the document(s) at the person's dwelling house or usual place of abode with someone of suitable age and discretion residing there.

☒ d. **By direct email (as opposed to through the ECF System)**
(List persons and email addresses. Attach additional paper if necessary)

Augie Landis augie.landis@usdoj.gov
Philip C. Dublin pdublin@akingump.com
J. Thomas Beckett tbeckett@parsonsbehle.com
Ramon Naguiat ramon.naguiat@skadden.com
Don Deamicis don.deamicis@ropesgray.com
Mark Somerstein mark.somerstein@ropesgray.com
Paul Huygens phuygens@provinceadvisors.com
Scott Scarbrough sscarbrough@pinnaclegrading.net
Jan Gyllstrom jgyllstrom@rhodeshomes.com

I declare under penalty of perjury that the foregoing is true and correct.

Signed on (date): March 26, 2010

Werner Disse
(Name of Declarant)

/s/Werner Disse
(Signature of Declarant)

LARSON & STEPHENS
810 S. Casino Center Blvd., Suite 104
Las Vegas, Nevada 89101
Tel: (702) 382-1170 Fax: (702) 382-1169